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# South and East Asia Report

No. 1020



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26 June 1981

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No. 1020

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COLUMNIST VIEWS ASEAN-SOUTH KOREA ECONOMIC COOPERATION

Bangkok BAN MUANG in Thai 20 May 81 p 3

[A Look at the World Each Day column by Free Man: "South Korea and Asean"]

[Text] South Korean president Chun Doo Hwan will visit the five member nations of the Association of Southeast Asian Nations (Asean) between 25 June and 9 July in order to promote cooperation between South Korea and the countries in the Southeast Asian area.

The relationship between South Korea and each country in Southeast Asia is real and cooperative. In particular, Thailand and the Philippines once sent troops to help the South Korean military fight the North Korean communist forces, which invaded South Korea during the period 1950 to 1953. But on the other hand, since 1970, the situation in Southeast Asia has changed because Vietnam has expanded its influence into Kampuchea and threatened the security of the [other] countries in Southeast Asia. This has made it necessary for there to be wider cooperation between Asean and countries outside this area for the security and progress of Asia.

Even though this is the first that the president of South Korea has visited these five Southeast Asian countries; prior to this there has been high-level meetings between government officials of South Korea and these five countries. Relations have become stronger and stronger. The purpose of President Chun Doo Hwan's visit to Southeast Asia is to obtain support and cooperation for South Korea's efforts to reach a peaceful agreement with North Korea, especially for President Chun Doo Hwan's proposal to hold highest-level negotiations between North and South Korea.

Economic cooperation is a major problem that President Chun Doo Hwan will discuss with the leaders of the countries in the Southeast Asian region. The natural resources of the Asean countries have been a factor in promoting economic relations between South Korea and Asean. In fact, more than 80 percent of the rubber latex, palm oil, tin and teak wood purchased by South Korea is purchased from Asean countries.

In building wider relations between South Korea and the Asean countries, South Korea is in the position of joining with these countries in the field of economic development and can rely on its knowledge and expertise to help promote greater investments in the Asean countries in the fields of industry, agriculture and business and trade.

The relations between South Korea and the Asean countries will form the basis for long-term cooperation between the Asean countries and the countries in the Pacific Ocean region.

It is thought that the visit to the countries in the Southeast Asian region by President Chun Doo Hwan will form a secure diplomatic foundation between South Korea and Asean after President Chun Doo Hwan's visit to the United States at the beginning of the year, at which the friendly relations between South Korea and the United States were reaffirmed. And the visit to Asean by President Chun Doo Hwan is proof that South Korea is ready to join with other countries in this region in maintaining security and promoting progress for Asia.

South Korea is a country that has security politically, economically and socially. Thailand should study this and show interest in using some of the methods that are appropriate in order to solve our domestic problems, if this can be done.

11943  
CSO: 4207/25



## EFFORT TO ORGANIZE FARMERS IN WESTERN INDIA

Kuala Lumpur BUSINESS TIMES in English 22 Apr 81 p 6

[Article by K.K. Sharma in New Delhi]

## [Excerpts]

THE small Indian town of Nipani, in Karnataka state, won notoriety recently as police fought protesting tobacco farmers. Ten farmers were killed, and Mr Sharad Joshi, charismatic leader of the six-month-old farmers' agitation, was taken to jail - a sudden and alarming shift in what had been until now a non-violent movement.

Western India's angry farmers, like their counterparts in other states, have puzzled the government and local politicians alike by the grim determination to press demands for better prices.

For the past 30 years, politicians have vied to gain the farmers' support, only to find that when the relatively well-to-do and increasingly better-educated farmers organise themselves they can be as effective as any union.

Mr Joshi's protest movement has caused deep concern both in Delhi and in the five states where protests have so far been mounted.

The revolt is led by modern, educated men like Mr Joshi, who can be described almost as "capitalist farmers." It centres on questions of income, prices and inputs. At least in Western

India, the agitation is beginning to loosen agriculture from its moorings and to break the traditional tranquillity of the countryside.

The tobacco growers, from about 200 villages around Nipani, have blockaded the main Bangalore-Poona highway for about a month. The Rasia Roko ("Close the Roads") agitation has won widespread support from the tobacco farmers who eke out a bare existence by selling their produce to manufacturers of Bidis (a small leaf-wrapped cigarette smoked widely in India).

In that time, several thousand farmers had been squatting on the highway with their cattle and implements, carrying small flags and waving red banners proclaiming their demands for higher prices.

All vehicles between the key towns of Bangalore, capital of Karnataka, and Poona, a main industrial centre of Maharashtra, have had to make a 200-kilometre detour.

For more than three weeks, the Karnataka government had stood by, ordering its police not to use force. Mr Joshi was aware that the authorities wanted to wear the agitating farmers out.

He was sure the government would eventually have to arrest him. Alternative solutions - like the farmers' cooperatives proposed by the government - were unacceptable. Then, the government ordered Mr Joshi's arrest and the removal of the blockade. Farmers attacked the police, who fired on them, killing 10 and wounding 600 more. They arrested more than 2,000.

Mr Joshi, unknown a few months ago, is an unlikely agitator and an even less typical farmer. Once an international civil servant in Geneva, the 45-year-old Mr Joshi bought a 16-acre farm near Poona. Mr Joshi, who describes himself as a practising economist, said: "I soon discovered that the terms of trade were loaded heavily against the rural areas.

"We are entirely dependent on the urban areas for payment. We bring our crops in times of plenty to the markets and sell at throwaway prices which do not meet even our costs of production. At times of shortage, there is not enough to sell to make a profit."

He has a two-nation theory for India: the farmers versus the city dwellers. He thinks the system is such that the disorganised agricultur-

ists, despite being the vast majority, get a hopeless deal.

Mr Joshi started with onion growers in the middle of last year when there was an onion glut. His strategy is an adaptation of Mahatma Gandhi's civil disobedience and defiance of the authorities. He organises his followers to block roads, besiege legislators and forcibly occupy government offices.

He spurns politicians: "No political party can seriously be interested in farmers getting remunerative prices. All these political leaders and all these parties are part of the system which has been deliberately exploiting farmers since independence in a new form of colonial exploitation."

Mr Joshi's main problem is, of course, that the politicians themselves claim to be supporting the farmers. If parties are to win elections, they must, after all, appeal to what is 80 per cent of the electorate.

The difference is that Mr Joshi does not want to be elected. All he wants is to organise the farmers like unions so that they get a better deal. In doing so, his movement threatens to throw India's vast rural areas into ferment.

- FT



INDIA

BRIEFS

USSR AIRCRAFT TO INDIA--London, 6 May (U.P.P.) - It has been learned that the Soviet Union has agreed to supply India with more "Foxbat" reconnaissance airplanes. [Text] [Karachi Nawa-I-Waqt in Urdu 7 May 81 p 3] 9612 X

CSO: 4203/75

## OIL MEN STUNNED BY CHANGE IN PERTAMINA MANAGEMENT

Kuala Lumpur BUSINESS TIMES in English 21 Apr 81 p 20

[Text]

JAKARTA, April 20

A NEW team of technocrats, all close to former president director-general Ibnu Sutowo, today took control of Indonesia's huge state oil company Pertamina.

The seven-man team, led by Judo Sumbono, the new president director, was officially installed by Mines and Energy Minister Subroto in a major administrative change which stunned most officials and foreign oil businessmen in Jakarta.

Mr Sumbono was a close aide of Mr Sutowo until the huge Pertamina conglomerate became bogged down by debts of US\$10.5 billion, leading to Mr Sutowo's fall in 1978.

Mr Subroto described the change as a normal administrative decision. But many officials noted the change brought back to the company's leadership the men who cooperated with Mr Sutowo to build what was once

called "a state within a state."

The most surprising part of the reshuffle was in the shipping directorate where Indra Kartasasmita, known for his continued loyalty to Mr Sutowo after the crash, takes command. Mr Indra left the company after he took part in the order of a large tanker fleet which set off the snowbaling debt and precipitated Mr Sutowo's fall.

Most foreign oil businessmen said they expected the replacement of former president director Piet Haryono, but were "stunned" at the sudden decision to replace all the other directors too. Oil sources said Mr Haryono's replacement was probably sped up by the recent uncovering of a major oil theft which hit Pertamina under his management. Mr Haryono had been expected to

wipe out corruption from the company. A relative of Mr Haryono held a key position in the company's shipping department at the time of the theft.

At the installation ceremony the seven new leaders swore with the Koran and the Bible held before them, that they would never accept any gift or advantage given them with an ulterior motive.

"They worked under Mr Sutowo and are regarded as very capable men, but we should not be too quick in drawing conclusions," said a seasoned foreign oil businessman.

The change, apparently decided by President Suharto himself with the agreement of the influential Mr Subroto, may reflect the beginning of a new turn in Indonesia's oil policy, observers said.

— UPI

CSO: 4220/608

## DK DELEGATION ATTENDS PARIS APARTHEID MEETING

BK041000 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330  
GMT 3 Jun 81

[Text] A Democratic Kampuchean delegation led by Thiounn Mumm, chairman of the State Scientific and Technical Commission, attended an international conference held in Paris 20-27 May and organized by the United Nations to condemn the apartheid policy of South Africa. By its presence, the Democratic Kampuchean delegation, in its capacity as a member of the United Nations, showed its solidarity with the struggle waged by the peoples of Namibia and Azania against the apartheid policy and the colonialist regime of the South African Government. The Vietnamese Hanoi clique, which has committed genocide against the Kampuchean people, kept very quiet; but the Kampuchean people, victimized by the genocidal war of the Vietnamese Hanoi clique, are fully aware of the misery and experienced by the peoples of Namibia and Azania.

At the conference, Thiounn Mumm delivered a speech condemning the apartheid policy and supporting the struggle of the peoples of Namibia and Azania.

During the conference a ceremony was held to celebrate Africa Liberation Day. State Presidium chairman Khieu Samphan sent an expression of solidarity on behalf of the Kampuchean people and the Democratic Kampuchean Government for the struggle of the peoples of Azania and of all Africa, and particularly for that of the peoples of Azania and Namibia against colonialism and the apartheid regime.

CSO: 4212/20

KPNLF OFFICER DISPLAYS WEAPONS FROM PRC

Bangkok BAN MUANG in Thai 30 Apr 81 pp 1, 16

[Article: "Khmer Seri Receive Weapons"]

[Text] A reporter for the newspaper BAN MUANG stationed along the border in Prachinburi Province reported that Khmer Seri forces of Mr Son Sann, which are living 2 kilometers inside Kampuchea across from Nong Samet Village in Taphraya District, have received various types of weapons from China. These Khmer Seri forces are composed of approximately two battalions.

In order to confirm this report, the reporter went and met with Mr Phaen Ru, age 36, who is the battalion commander of the Khmer Seri forces. This battalion is composed of 300 armed men and it is stationed across from Nong Samet Village. He told the reporter that they had begun to receive aid from China on 22 April. This aid, which was sent by boat, consisted of 82 and 61 [millimeter] guns, A.K. rifles and ammunition. Mr Phaen Ru proudly took the reporter to see the weapons and ammunition. Most of it was still in the cases and had not been unpacked and used in the field.

The reporter reported what was happening here. Mr Phaen Ru stated that, at present, one division of Vietnamese-Heng Samrin front forces from Battambang and Sisophon provinces have been moved into secure areas near the Thai border across from Taphraya District. Also, they have informed the Kampuchean people that these forces have attacked the Khmer Seri base areas along the border across from Thai villages in Taphraya District in the area of Saeng, Nong Samet, Non Mak Mun, Nong Chan and Ang Sila villages.

The Khmer Seri leader told the reporter that, in fact, reports received from spys in Phnom Penh state that these forces have been sent in order to prevent the Khmer Seri forces from causing disturbances during the general elections of Kampuchea, which the Kampuchean people are against. He stated that these elections are not the real aim of Kampuchea, but are needed by the Vietnamese, who have come in and taken control of Kampuchea. Vietnam is afraid that [the elections] will be disrupted and, therefore, it has sent these forces to control things.

However, commander Phaen Ru stated that, at present, the Khmer Seri is mobilizing and training more and more Kampuchians who have voluntarily joined the Khmer Seri forces to save the nation. He estimated that there are 5,000 people now. This is an armed force that is ready to drive out the Vietnamese. He also estimated that, within the next 3 months, it will be possible to increase the size of this force by another 7,500 people.

The reporter also reported that at 1400 hours on 28 April, it seems that a 12-man Vietnamese reconnaissance unit reared the Thai border and fought a battle with Khmer Seri forces led by Mr Chiea Chaiya and they waged a battle with various types of weapons. In the end, the Khmer Seri forces managed to kill several of the Vietnamese soldiers and drive the others away. As for the events along the border that are causing distress among Thai officials, another thing is the black market trading of goods with the Kampuchians, which is increasing daily. Also, Kampuchians have received permission from the Vietnamese military to travel from within Kampuchea to the border to purchase goods and this has caused more and more traders to risk breaking the law.

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CSO: 4207/35

## BRIEFS

**PRASITH SPEAKS IN MONTREAL**--On 23 May the Canadian Committee for Solidarity With the Kampuchean People inaugurated its new office in Montreal. Many Canadian friends and Kampucheans of all political tendencies were present. Thloum Prasith, permanent representative of Democratic Kampuchea to the United Nations, was also present. He expressed deep gratitude to the Canadian people and government for their support to the Kampuchean people's just struggle against the Vietnamese aggressors to liberate and defend their race. The Kampuchean residents expressed their determination to strengthen Kampuchean unity against the Vietnamese aggressors until final victory. On that occasion the committee stated that it would intensify activities in support of the Kampuchean patriots' just struggle for national defense, and promote friendship between the Canadian and Kampuchean peoples. The ceremony ended with a reception and a film show. [Text] [BK200901 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 29 May 81]

**HIROHITO'S REPLY TO ANNIVERSARY MESSAGE**--Recently, Khieu Samphan, chairman of the State Presidium of Democratic Kampuchea, received a letter from Japan's Emperor Hirohito in reply to his greetings message on the occasion of the emperor's birthday anniversary. The message reads in full as follows: My respects to His Excellency Khieu Samphan, chairman of the State Presidium of Democratic Kampuchea. I extend most sincere thanks to you for your good wishes on the occasion of my birthday. I am very delighted to return to you my best wishes. [signed] Hirohito. [Text] [BK020303 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 1 Jun 81]

**PEAH VIHEAR DRY SEASON VICTORIES**--"On 27 May, a total of 340 people, soldiers, guerrillas and cadres and male and female combatants of Preah Vihear Province held a meeting to welcome the supreme commission of the Democratic Kampuchean National Army and guerrillas, announcement on the dry season military victories and welcome the statement by the Democratic Kampuchean cabinet." Various attendees expressed their satisfaction with the achievements scored, and heartily supported the government's policy of rallying all Kampuchean forces against the Vietnamese aggressors. The meeting adopted a resolution appealing to all Kampucheans to unite in the struggle for the liberation and preservation of the nation and race and to settle internal differences through democratic means. [Summary] [BK020440 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 1 Jun 81]

**SWISS ASSOCIATION MESSAGE**--The Government of Democratic Kampuchea recently received a message from the Switzerland-Democratic Kampuchea Friendship Association expressing its solidarity with the struggle of the Kampuchean people. The message reads:



The Switzerland-Democratic Kampuchea Friendship Association would like to express its strong and firm solidarity with the Kampuchean people's struggle for freedom. The 1981 annual general assembly of the association, which was held recently, decided to maintain the political line of the association by actively supporting Democratic Kampuchea against the aggressor Vietnamese and Soviet expansionists, by strengthening the international solidarity of the Swiss people and by vigorously rejecting all slanders against Democratic Kampuchea. The Switzerland-Democratic Kampuchea Friendship Association also sent a gift of 50,000 anti-malaria tablets to the Democratic Kampuchean Red Cross. The tablets were bought with donations given by the Swiss people. [Text] [BK080636 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 7 Jun 81]

**GUERRILLA ATTACK IN PHNOM PENH**--On 11 May, our guerrillas threw a grenade at the Vietnamese enemy in front of the Casino House in Phnom Penh. As a result, three were killed. Long live the valiant guerrillas and people in Phnom Penh city! [Text] [BK090256 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Jun 81]

**KOH KONG MAY BATTLE STATISTICS**--In May, our comrades in arms on the Koh Kong-Kompong Som battlefield killed 504 and wounded 542 Vietnamese aggressor troops for a total of 1,946. Among those killed was a company-commander senior lieutenant. We destroyed a 105-mm cannon, a 12.7-mm machinegun, 5 M-79's, an M-30, 11 B-40's, a Goryunov gun, an RPD, 49 AK's, 2 37-hp motorboats, 2 telephone sets, 22 military barracks and 2 trenches. We seized 7 AK's, an AR-15, 8 crates and 1,506 rounds of AK ammunition, 41 shells of 60-mm mortar, 10 B-40 rockets and 180 rounds of M-79 ammunition. We also destroyed two enemy positions, one company-size and one platoon-size. We liberated four positions--a regiment-sized position at Thmar Bang District and three platoon-sized positions--and crushed a battalion-sized and platoon-sized intervention force. Concerning the production of primitive weapons, we made and planted 542,000 new spikes, dug 180 punji pitfalls and set 130 automatic bows and 180 snares. [Excerpt] [BK100618 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Jun 81]

**WESTERN LEACH BATTLE REPORT**--In May, our comrades in arms on the Western Leach District battlefield killed 741 Vietnamese aggressor troops and wounded 615 others--a total of 1,356. We destroyed 2 vehicles, 4 B-40's, an M-79, 24 AK's, a C-25 field radio, 8 military barracks, 20 trenches and a quantity of other war materiel. We seized 3 AK's, 5 A-2 landmines, 1,000 rounds of AK ammunition, 150 meters of telephone wire and a quantity of other materiel. Concerning the system of primitive weapons, we made and planted 5,204,000 new spikes, dug 9,750 punji pitfalls, set 470 automatic bows and 90 snares, and cut communication roads at 16 spots. We liberated independent Vietnamese positions--16 platoon-sized positions, 3 company-sized positions and 3 battalion-sized positions. We liberated a platoon-sized position in the defense system of a battalion. We routed three company-sized intervention forces. [Excerpt] [BK100632 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Jun 81]

**UNHCR AID TO PREY VENG**--At the end of May the Kampuchean Red Cross distributed UNHCR aid to 6,796 families in Prey Veng Province. The gifts consisted of agricultural tools, seeds and rat poisons. [Text] [Phnom Penh Domestic Service in Cambodian 0400 GMT 3 Jun 81 BK]

KOMPONG SPEU POLITICAL COURSE--On 16 May a political course for 170 newly elected commune-level people's revolutionary committee cadres was opened in Kompong Speu in the presence of (Tar Von), a member of the provincial people's revolutionary committee. (Chum Vong), representative of the political school where the course was held, denounced the Pol Pot regime for its crimes and exhorted the trainees to use acquired knowledge in service of the people. (Tar Von) also urged them to study hard to lead the people in building the communes and villages in contribution to advancing the country toward socialism. [Phnom Penh Domestic Service in Cambodian 0400 GMT 29 May 81 BK]

PURSAT AGRICULTURAL MEET--The second meeting to sum up agricultural work in the past and set future goals was opened at the Pursat provincial agricultural office between 16 and 18 May. Attending were Chhun Song, representative of the Pursat provincial people's revolutionary committee; Mau Moni, head of the provincial agricultural office; and cadres. Mau Moni reported on achievements of the province and presented future plans in the agricultural field. Participants were encouraged to work hard to fulfill plans and to produce more. Citation certificates and awards were given to areas recognized for outstanding performance in production. [Phnom Penh Domestic Service in Cambodian 0400 GMT 28 May 81 BK]

MILITARY TRAIN AMBUSHED IN KAMPOT--On 26 May our army and guerrillas ambushed a Vietnamese train carrying military materiel along the railroad near Phum Angkrong, Kompong Trach District, Kampot Province. They fired at and destroyed a train car. Six Vietnamese troops were killed and seven others were wounded. Long live our valiant and courageous army, guerrillas and people in Kompong Trach District of Kampot Province! [Text] [BF110820 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Jun 81]

SAMLOT MAY BATTLE STATISTICS--In May, our comrades in arms on the Samlot battlefield killed 408 Vietnamese aggressor troops and wounded 483 others--a total of 891. They destroyed a truck, 2 Goryunov guns, 4 AK's, an AR-15, 11 military barracks, 4 trenches and a quantity of war materiel. Compared with the 800-enemy-loss-a-month-plan, they carried out 111.37 percent of the plan, overfulfilling it by over 11 percent. Concerning the system of primitive weapons, our comrades in arms made and planted 857,700 new spikes, dug 300 punji pitfalls and set 150 automatic bows. They also crushed and routed four intervention units of the Vietnamese enemy--one battalion sized and three company-sized units. [Excerpt] [BK110816 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2230 GMT 10 Jun 81]

CSO: 4212/20

## FIRST QUARTER MINING OPERATIONS RESULTS NOTED

Vientiane VIENTIANE MAI in Lao 6 May 81 pp 1, 2

[Text] In the first quarter of 1981 all the cadres and workers of the Lao Lead Mining Company, which is under the Ministry of Industry and Trade, determined to fulfill their specialized tasks successfully.

In this period they were able to mine 92 tons 918 kg of lead ore, equivalent to 68.35 percent of the plan. In the distribution of the lead ore, in this one quarter they were able to ship 160.86 tons, exceeding the quota by 16.56 percent. In building the technological infrastructure they rehabilitated the factory and mining process at the Pa Then Basin, which now has raised its capacity 10 percent. They have installed two generators, finished putting up 50 percent of the electric wires, completed the repair of the factory entrance bridges in 2 places, leveled 30 percent in 7 places, built dams on the stream to bring water to supply the factory, finished 60 percent of the mine pond. Other factories were rehabilitated and are 90 percent finished.

The production of all the workers of the Lao Lead Mining Company in this period, which according to the first quarter plan for this year would be 140 tons in 76 days, actually was 95 tons 900 kg in 23 days.

Along with performing their specialized tasks in excellent fashion they put forth additional effort to produce food for themselves, opening up an area for a settlement to cultivate various crops. They raised cooperatively 50 water buffalo and cattle and 40 pigs.

9615

CSO: 4206/50

## SECURITY SERVICE AWARDS RANKS TO POLICE NCO'S, OFFICERS

Vientiane VIENTIANE MAI in Lao 11 May 81 pp 1, 2

[Text] On the afternoon of 8 May 1981 at Thong Mak Kheng, Phon Hong District, Vientiane Province the Public Security Service of Vientiane City Province held an official ceremony to award ranks to noncommissioned police and police officers of 1st and 2d grade in 11 district centers around Vientiane Province. More than 300 persons received the awards.

The honored participants at the ceremony were Col Bounma Nithong, Col Thongmani Thiphommachan, from Vientiane City Province Public Security Service, Lt Col Thongdeuan Chanthala, Vientiane Public Security Service, Capt Souban, deputy, Vientiane Public Security Service, in addition there were several mid-level and first-rank police officers who were invited.

After the organizers opened the ceremony and read the statement of the Vientiane City Province Public Security Service, Thongmani Thiphommachan took the opportunity to give advice, with encouragement and praise for the great success and victory that all the fighting cadres of Vientiane Province had won in performing their duty in protecting the security of the people so well in the past. He also spoke of the greatness of the public security force and its importance and of the purpose of the award of ranks to the police officers and men.

Finally, in praising all the fighting cadres who received awards at this time, he urged that they put forth efforts to rid themselves completely of the social class ideas of friend and enemy, to strengthen the foundation of the family to act bravely, to strengthen the foundation of the heroic nation, to respect organization, and to raise self-awareness to the highest degree, to know the basis of policy, to be loyal to the party, to duty, and to the people. They should advance without ceasing the security force and our police force to the highest levels. Thus they will insure political and social safety in the performance of national defense, to build enduring socialism within our country.

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CSO: 4206/50

## BRIEFS

**CHAMPASSAK DISTRICT POPULATION STATISTICS**--Sanasomboun is one of 10 districts subordinate to Champassak Province, located in the northern section of the province. It borders Khong Sedone District, Saravane Province on the north, Pakae District on the south, Lao Ngam District, Saravane Province, on the east, and the Mekhong River on the west. Sanasomboun District has six cantons, 84 villages, 6,444 households, a total population of 36,170. There are two large ethnic groups, the Lao Theung and the Lao Loum. The Lao Theung are the Keo and Katang tribes. [Excerpt] [Vientiane SIANG PASASON in Lao 6 May 81 p 2] 9615

**LUANG PRABANG COOPERATIVIZATION, TAXES**--During the past 5 years Luang Prabang Province achieved from the beginning a complete and constant victory in all areas. In the field of agriculture, forestry, and irrigation they turned the separate farmers to collective production by establishing 74 agricultural cooperatives, representing almost 1/3 of the farming population. The area of wet rice cultivation increased 29.6 percent. One hectare produced 1.5 tons. They surveyed and built more than 20 irrigation projects. They completed eight projects. In communications and transportation they constructed 100 km of new roads, repaired 377 km of old roads, and transported 28,157 tons of goods. In the economic sector the revenue of the province increased. Therefore they reduced the contribution (%) of the central government step by step. For example in 1980 the central government supplied only 45 percent. This year it collected the agricultural tax on 2,503 tons of rice and bought 1,522 tons. This is twice last year's amount. [Excerpt] [Vientiane SIANG PASASON in Lao 7 May 81 p 2] 9615

**CHAMPASSAK DISTRICT SALES, TAXES**--Since the beginning of January 1981 all the multinational farmers on the basis of their production throughout Khong District, Champassak Province, brought their rice, which they calculated according to the harvest, for payment of the agricultural tax and sale to the state voluntarily. They paid tax on more than 764 tons and sold over 1,000 tons of rice to the state. [Excerpt] [Vientiane SIANG PASASON in Lao 28 Apr 81 p 1] 9615

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## NATIONAL INVESTMENT TRUST SET UP FOR MALAYS

Datuk Hussein Statement

Kuala Lumpur BUSINESS TIMES in English 21 Apr 81 p 1

[Excerpts]

THE time has come for the Bumiputras community to prove that it is genuinely anxious to increase its participation in the corporate sector, Prime Minister Datuk Hussein Onn said yesterday.

Datuk Hussein added that the government on its part had carefully drawn up the national unit trust scheme in fulfilment of the promise made when the New Economic Policy (NEP) was first formulated.

Speaking at the launching of the scheme in Kuala Lumpur yesterday, he said that various steps had been undertaken by the government to ensure the achievement of the aims of the NEP. A number of agencies and companies had been set up for the purpose.

The establishment of the Bumiputra Investment Foundation and its subsidiaries represented the first step toward launching the national unit trust scheme.

"It is the government's hope that the scheme would be an important instrument in ensuring at least 30 per cent Bumiputra ownership of the corporate sector by 1990," he added.

"The NEP was formulated in order to overcome the socio-economic and political disparities among the various races in the country. Datuk Hussein described the NEP as a "pragmatic policy which had been accepted by all to safeguard the future of the country."

The national unit trust scheme, he added, has to be seen in the context of the NEP. Any efforts to prevent the success of the scheme would mean hampering the progress of the Bumiputras and that of the NEP.

In drawing up the unit trust scheme, all aspects were taken into account, namely economic, social, political and religious.

Economically, it was a concrete measure to uplift the status of the Bumiputras to the level of the other races; socially, it was a tool to restructure society and raise the standard of living; politically, it was aimed at promoting stability, fairness and harmony in the country; and religiously, it had been

made sure that the provisions of the scheme conformed to the tenets of Islam.

"We will ensure its successful implementation," Datuk Hussein said.

The scheme, he stressed, was for the benefit of the nation and to achieve the aims stipulated in its plans. No one should feel uneasy about the scheme, especially the Bumiputras.

"In all sincerity and with a feeling of responsibility I call on the Bumiputras to participate in the scheme to improve their economic standing. It is the wish of Bumiputras to improve their poor economic status. This is the chance to do so," Datuk Hussein said.



## Small Initial Investment

Kuala Lumpur BUSINESS TIMES in English 21 Apr 81 p 1

[Excerpts] COMPANIES, especially the foreign-owned, which have not restructured their equity in accordance with the New Economic Policy (NEP) have been urged to do so.

Making the call, Datuk Seri Dr Mahathir Mohamad, said that there was not much time — only about nine years — left to meet the target set under the NEP for bringing their share in total corporate assets down to 30 per cent (from the present level of 47.5 per cent).

Speaking at the launching of the National Unit Trust scheme, the Deputy Prime Minister said the success of the scheme was also dependent on the cooperation of the companies operating in the country.

Dr Mahathir, who is also the chairman of the Bumiputra Investment Foundation, said that with the launching of the

unit trust scheme, "we will no longer be faced with excuses that Bumiputras were not capable of buying shares of the restructured companies."

Referring to trustee companies whose shares have been transferred to the PNB, Dr Mahathir said that the board of directors and management of these companies should be proud that they fulfilled the stringent criteria set by PNB.

Companies whose shares have not been transferred would have to work harder to achieve the criteria set for selection. "There is no room for jealousy in the scheme. All parties have to take their responsibility seriously as all the efforts are for the benefit of the nation," Dr Mahathir said.

The unit trust scheme, he said, was specifically designed after taking

into account the socio-economic standing of the Bumiputras.

Every Bumiputra was eligible to participate in the scheme after making an initial investment of \$10, following which the PNB will credit 100 units in the person's account. These units cannot be withdrawn for nine years.

Explaining the workings of the scheme, Dr Mahathir said that the shares transferred to PNB would in turn be transferred to the Amanah Saham Nasional, a unit trust managed by a subsidiary of PNB, namely the Amanah Saham Nasional Berhad (ASNB).

However, he stressed that the shares offered by the scheme were not only those transferred by the government but also those bought by PNB through open market operations and those ob-

tained from the Ministry of Trade and Industry.

The scheme was so designed as to enable the unit holders to benefit from the profits of all companies which formed part of the portfolio. It had two distinct advantages:

■ That PNB would invest on behalf of the Bumiputras in selected companies. These are selected not only on the basis of their profitability but also of their sound management, thereby reducing risk.

■ The management of PNB and ASNB were experienced, qualified and responsible people entrusted with the task of selecting companies in which investment should be made.

Dr Mahathir said that Bumiputras would have to invest about \$16.36 bi' on by 1990 if they were to own 30 per cent of the corporate sector by that year.

## Plans in Other Countries

Kuala Lumpur BUSINESS TIMES in English 23 Apr 81 p 1

[Excerpts]

THE fame of Malaysia's still new-born Sekim Amanah Saham Nasional (ASNB or national unit trust) has already spread far and wide, judging by the enquiries being received about its operation.

Speaking to newsmen in Kuala Lumpur yesterday, Haji Mohd Desa Pachi, director of the Permodalan Nasional Berhad, the Bumiputra investment foundation overseeing the ASNB operations, mentioned two letters he had so far received from the West Indies asking for details of the Malaysian scheme, with a view to similar trusts being set up in Trinidad and Tobago.

Asked about the sale of units, Haji Desa said that up-to-date figures were

hard to compile but latest advices showed that up to Tuesday evening, a grand total of 30,000 individuals had purchased

units worth between \$2.5 million and \$8 million from the 900 agencies or selling points (including 600 post offices) throughout the country.

More details were given by Haji Desa during a visit to the PNB's original base in the MIDF building made by two senior executives of Pakistan's "national investment trust, the only open-ended mutual fund in the country, with assets exceeding 1.3 billion rupees (M\$270 million) last year."

They were the trust's managing director, Mr Nurul Hasan Jafarey,

and the chief manager of its marketing and investors' service, Mr Kabir A. Qureshi.

In the course of their meeting, Mr Jafarey suggested that in view of the growing interest in unit trust schemes among Third World countries, Malaysia should take the lead (as founders of its most unique scheme) to organise an international forum on the subject.

Haji Desa agreed that such a meeting should be arranged, at least on an informal basis for a start, pointing out that the unit trust principle is particularly useful and relevant to the needs and circumstances of developing countries.

In this connection, it was mentioned that

Bangladesh (despite earlier conflicts with Pakistan of which it used to be the eastern half) had recently sought Karachi's help to set up its own national unit trust scheme.

India and Hong Kong have their own schemes while the Philippines tried to start one recently but met with disappointing results.

Haji Desa also mentioned Indonesia's close interest in Malaysia's unit trust schemes, adding that he had advised his Indonesian counterparts that the best way to strengthen their newly-formed national scheme (P.T. Danareksa) would be to build up the Indonesian (Jakarta) stock exchange.

## KUALA LUMPUR PLANS SERIES OF BORROWINGS

Kuala Lumpur BUSINESS TIMES in English 23 Apr 81 p 1

[Text]

FINANCE Minister Tengku Razaleigh Hamzah told *Business Times* that the loan for US\$450 million (\$1.08 billion) being signed today is the first of a series of borrowings Malaysia plans to make during this year. He hinted that he already had an offer on even better terms than those set for today's borrowing.

The US\$450 loan which is arranged by a lead management group of five banks was obtained on terms which financial analysts in London consider equal to, if not better than, anything highly credit worthy industrial countries like Sweden can get.

The Finance Minister said he had noted the comment and added with a chuckle: "I am never satisfied. I am always looking for something better."

The banks in the management group for the present loan are Bank Bumiputra, Manufacturers Hanover Trust, Bank of Tokyo, Lloyds Bank International and Gulf International.

The terms of the loan are a split between a conventional tranche and a tax-spared tranche. On the first the Malaysian government will pay 0.375 per cent above Libor (London interbank offered rate) for the first

five years and 0.5 per cent above for the remaining five years.

On the tax-spared tranche the government will have to pay only 1/32 per cent above Libor throughout the period.

The Finance Minister said Malaysia was looking for even better terms for future loans. He added that it had expected better terms in particular for the tax-spared portion. The terms obtained by the Malaysian Airline System (MAS) recently set perhaps the precedent he had in mind.

MAS secured a tax-spared US\$45 million loan (\$103.5 million) in February this year at an interest rate equal to Libor, instead of a margin above it. This was because tax spared by Malaysia is deemed by British authorities to have been paid under the terms of the double taxation avoidance agreement. This makes lending to Malaysia particularly attractive to banks in Britain. The MAS loan was obtained from the London affiliate of the French bank, Societe Generale.

Malaysia's borrowing requirements this year, as forecast by the Treasury, are \$1,694 million in commercial loans. This is in addition to an inflow

of \$1,114 million in official long-term capital by way of aid and credits from governments and international institutions.

Even after these borrowings, Malaysia's debt service — repayment of principal plus interest charges as a proportion of export earnings — will remain one of the lowest in the world. It was just two per cent in 1980, and is expected to remain around this level over the next five years of the Fourth Malaysia Plan.

The current account deficit of 4,189 million projected for the year will mean some drawing down on Malaysia's accumulated foreign reserves, but these will still be very healthy — equal to about 5½ months retained imports. The Finance Minister says he wants to maintain this level, even though countries like Japan manage very well on reserves equal to two months imports. Given Malaysia's dependence on commodity exports, some of which are subject to wide price fluctuations, he thinks it is safer to provide for a larger cushion.

## ASEAN BINTULU FERTILIZER PROJECT OFFICIALLY LAUNCHED

Kuala Lumpur BUSINESS TIMES in English 21 Apr 81 p 20

[Text]

PRIME Minister Datuk Hussein Onn will perform his third public function since recently undergoing a coronary bypass operation by launching the Asean Bintulu Fertiliser project this Saturday.

The ceremony will take place in Kuala Lumpur.

Coming hard on the heels of his launching the National Unit Trust yesterday, the news seems indicative of the fact that Datuk Hussein is resuming his work in full swing.

Datuk Hussein performed his first public function since returning from his operation in London when he officiated, along with the Deputy Prime Minister Datuk Seri Dr Mahathir Mohamad, at the launching of the Fourth Malaysia Plan on Mar. 27.

The \$720 million Asean Bintulu Fertiliser project represents Malaysia's stake in the Asean industrial joint venture scheme formulated to

take advantage of the former Japanese Prime Minister. Mr Takeo Fukuda's 1977 pledge to lend US\$1 billion (\$2.2 billion at current rates) for mutually acceptable ventures, one in each of the Asean countries.

Both Indonesia and Malaysia opted for the establishment of urea (fertiliser) plants as their national projects under the scheme.

The Indonesian project, known as Asean Aceh Fertiliser (after the North Sumatran region in which it is located) was the first to get off the ground, the contract for building the plant having been awarded to Japan's Toyo Engineering Company late last year.

Early this year, in connection with the visit of the Japanese Premier, Mr Zenko Suzuki, to the Asean countries, Japan agreed to lend Indonesia an additional \$300 million (US\$400 million) to supplement the original \$400 million (US\$520 million) it earlier agreed to ad-

vance to meet the cost of the \$540 million (US\$400 million) plant.

The Indonesian plant is expected to begin production in 1983 at the rate of 570,000 tonnes of urea a year.

For the Malaysian project, a joint venture agreement to establish the implementing agency, Asean Bintulu Fertiliser Sdn. Bhd., was signed in October last year.

The \$300 million paid up capital for the company was contributed by Malaysia as the host country (60 per cent), Indonesia, Thailand and the Philippines as the minority partners (15 per cent each) and Singapore as the token partner (one per cent).

The Asean Bintulu Fertiliser venture (one of several giant projects centred on the Bintulu region of central Sarawak) is expected to begin production in 1984.

It will use part of the region's abundant natural gas resources to pro-

duce 1,500 tonnes of the nitrogenous fertiliser, urea, from 1,000 tonnes of ammonia a day at peak capacity.

Japan has agreed to provide the equivalent of a loan of \$500 million on easy terms to meet 70 per cent of the total cost, in accordance with the Fukuda pledge.

Asean Bintulu Fertiliser was formally incorporated on Dec. 6, 1980, and specifications as well as other details for the plant were finalised recently.

Tenders from pre-qualified contractors are expected to be called soon.

Malaysia's participation in the project is spearheaded by Petronas, the national petroleum corporation.

The three other Asean countries, Thailand, the Philippines and Singapore, have yet to finalise details as to the siting or identification of the projects they intend to undertake under the joint venture scheme.

## NATIONAL DEVELOPMENT PLANS SEEN FAILING TO BENEFIT POOR

Kuala Lumpur BUSINESS TIMES in English 27 Apr 81 p 6

[Article by Aditya Man Shrestha in Katmandu]

[Text]

IN 1973, international report described Nepal as "poor and becoming poorer daily."

That holds true even in 1981 and to Bhavani Dhungana, associate research officer in the Centre for Economic Development and Administration of Nepal, it is "getting more serious and turning into a naked and rather brutal truth."

Mr Dhungana has come to this bitter conclusion on the basis of the poor performance of the development plans which Nepal adopted in consecutive series since 1960.

Since then Nepal has undergone five plan periods and this year augurs the Sixth Five-Year Plan.

The various plan documents had put an ardent fervour for rapid economic development for the Nepalese people. However, because of the lack of endeavour in their proper and effective implementation, Mr Dhungana asserts, the achievements are far from satisfactory.

"The Nepalese economy has not been able to come out from the vicious trap of poverty, stagnation and deprivation," he says.

He recalls the situation under which the first five-year plan was launched in 1956. The problems were immense. Nepal had just come out of the isolationist policy and the family rule of the

Ranas. There was complete lack of information about the state of the economy. Trained and skilled manpower was lacking virtually in all the fields.

The result was the low absorptive capacity in the economy and whatever resources were available were under-utilised.

Consequently, only 65 per cent of the total outlay of 230 million rupees (US\$27 million) was actually used during the first plan period.

The period between 1960 and 1962 was a plan holiday for political reasons.

However, the second plan, comprising only three years, had a better performance with 89 per cent use of the total outlay of 670 million rupees (US\$80 million).

The third plan lasting between 1966 and 1970 had allocated 2.5 billion rupees (US\$307 million) but incurred an actual expenditure of 1.639 billion rupees (US\$195 million) or only 66 per cent of the total outlay.

The fourth plan (1970-75) had a better performance with 95 per cent expenditure of the total outlay of 3.54 billion rupees (US\$393 million).

During the fifth plan period ending in 1980, the expenditure overshot the outlay by 27 per cent. Actual expenditure came to 9.575 billion rupees

(US\$791 million) against the estimated allocation of 7.545 billion rupees (US\$624 million). The planned outlay for the next five years is as much as 16 billion rupees (US\$1.322 billion).

When the expenditures for development are scrutinised in relation to gross domestic product (GDP) the picture looks dismal.

Mr Dhungana cites the example of the third plan which had a target of increasing GDP by 19 per cent. However, "the actual achievement was 8.5 per cent annual increase at current prices whereas the rate of inflation during that period was 6.5 per cent," he says.

At constant prices the annual growth of GDP came to 2 per cent while the annual population growth rate was 1.81 per cent per annum.

Much hope was pinned on the fifth plan when it was started in 1975. The target for raising GDP was set at 4 to 5 per cent annually. The total agricultural production was supposed to increase at an annual rate of 3.5 per cent; considering the population pressure, food production was targeted to increase by 16.72 per cent during the plan period.

To achieve these objectives, agricultural development was given top priority with the allocation of 3.57 billion rupees

(US\$295 million).

In the first year (1975-76) total GDP at current prices increased by only 4.07 per cent as against the fourth plan's average of 11.63 per cent. In the second year, it actually decreased by 0.29 per cent at current prices.

Estimates for 1977-78 and 1978-79 provide an increase of 1.68 per cent and 4.17 per cent of annual GDP. The projection for 1979-80 indicates an increase of 4.58 per cent.

This gives an annual average of 3.02 per cent for the fifth plan period. This will be, unfortunately, a 7.4 per cent decrease in the rate of growth of GDP during the fifth plan as compared with that of the fourth plan period, according to Mr Dhungana.

The low achievement in the total output of the economy was basically due to the unsatisfactory performance in the agricultural sector.

Mr Dhungana reveals that with the nominal rate of growth of GDP by 3.02 per cent during the plan period and the rate of inflation by 4.28 per cent the real GDP decreased by 1.26 per cent per year.

Thus, the real per capita income of the Nepalese people, Mr Dhungana notes, will be decreasing at the rate of 3.42 per cent per year. — Depthnews



## CAUTION TOWARD USSR ASSISTANCE OFFERS ADVISED

Karachi JASARAT in Urdu 9 May 81 p 3

[Editorial: "Steel Mill Is Enough"]

[Text] The first coke furnace of the Pakistan Steel Mills is now in operation. Lt Gen Said Qadir, minister of Production Division and National Logistic Board performed the opening ceremony of the furnace on Thursday. This marks the completion of yet another phase of the plan for building a steel mill in Pakistan. This mill is being set up with the help of Russia. Talking to newsmen at the time of the inauguration, Lt Gen Said Qadir said that more Pakistani engineers will be sent to the Soviet Union to receive the latest technological training.

Just one day before the furnace started operating, Russia's ambassador in Pakistan, Mr Smirnov, in an interview in Karachi, offered to build an atomic power plant in Pakistan. He also expressed willingness on the part of his government to help Pakistan in the exploration of oil, in developing mineral resources and in setting up several heavy industries. The ambassador said that the atomic power plant will be given to Pakistan on the same conditions that apply to other countries. As for the payment for all the machinery, Pakistan could pay back in part by exporting goods produced from the plants to the Soviet Union. The honorable ambassador mentioned a long list of industries which Russia could help establish in Pakistan and also assured his country's cooperation in the agricultural sector. He said there were vast possibilities for the development of agriculture in Pakistan and that this country could become a big supplier of food to the world.

This offer of an atomic power plant and other industries has come at a time when the U.S. and Pakistan have just concluded an agreement on economic and military cooperation. This diplomatic effort by Russia, therefore, seems motivated more by considerations of global politics than of good neighborly relations.

No one can deny the fact that Russian forces, because of their presence in Afghanistan, are virtually on the Pakistani borders. In addition, we are certainly within the range of Russia's ideological invasion. In the presence of the possibility of this two-pronged attack, Russia's offer of economic aid on a large scale has certain resemblance to the events in Afghanistan. Didn't Russia pour abundant offers of friendship on Afghanistan before launching a military attack on that country? For us, the steel mill is enough. It was from the Pakistan Steel Mills that large quantities of Russian ammunition was recently seized and many employees were found involved in the scandal. As is well-known, a large number of the workers in this mill received their training in Russia. Under these circumstances, the gift of the steel mill is sufficient and we beg to be spared any more favors.

## EDITORIAL CALLS FOR END TO CENSORSHIP

Lahore NAWA-I-WAQT in Urdu 4 Apr 81 p 2

[Editorial: "Censorship - We Have Had Enough!"]

[Text] After returning to Islamabad from his Islamic peace mission, President Zia-ul-Haq said here that it was up to the federal cabinet to make the final decisions about lifting censorship and restoring the political process by giving freedom to the political parties. The same thing was stated somewhat differently, but in more detail, by Minister of Information and Broadcasting Raja Zafarul Haq, in Peshawar. Talking to newsmen there, he said that certain measures were being taken by the government to increase the level of credibility of the press, radio and television. Elaborating the point, he said that the agreement reached between the Council of Pakistan Newspaper Editors (C.P.N.E.) and the administration on the formation of a press court, a body that will govern the code of conduct incumbent upon all newsmen, was in the final stages of consideration and that talks concerning the press court were going on at the present time between the government and C.P.N.E.

These statements and assurances by the president and a member of his cabinet give the impression that the press censorship will not last too long. Lifting the censorship is in the interests of not only the newspapers and the administration, but also the nation as a whole. Our circumstances demand that we stop keeping this matter "under consideration" and act now to end the censorship immediately. Any delay in this regard on the grounds of a code of conduct is unnecessary and incomprehensible because such a code had been formed a long time ago. In fact, an understanding was reached in principle on the formation of a press court of honor or "special bench" to enforce the code. For quite some time now the ball, so to speak, has been in the court of the government. When someone now mentions that the matter is "under consideration" or "under study", we suspect it is only to postpone a decision and to prolong consideration for its own sake. Unless the censorship is lifted, the promulgation of a code of conduct and the formation of a press court will also be kept being put off. As regards the censorship, the minister of information and broadcasting himself said in Peshawar: "In the eyes of the government, the newsmen are trustworthy and loyal to the country. Political freedom and the freedom of expression are necessary for each other's sake, although it is not necessary that both be in force simultaneously. There are different viewpoints about the censorship, and one of them is that the administration did not gain anything from it and did not achieve the goals for which it imposed the censorship." We might add here that the political parties which are supportive of the ideology of Pakistan and whose union the president has called 'a good omen' for the country hold the



ending of censorship as basic to their five-point program for the restoration of democracy in Pakistan.

In the talks between the administration and C.P.N.E. referred to by the minister of information and broadcasting, the administration is emphasising four basic matters: 1. security of the country; 2. ideology of Pakistan; 3. refraining from character assassination, and 4. Pakistan armies. Not only is the observance of a proper conduct on these points an integral part of the code of conduct, and not only is the press in complete agreement with the government on them, the C.P.N.E., in its talks with the government, has given firm assurances that newsmen, like the government and without being told, regard these matters as sacred. The responsibility imposed by the freedom of expression automatically implies, in the view of newsmen, restraint on these matters. Since an agreement has been reached on the code of conduct and the formation of a press court to enforce it, it is only proper and in the best interests of the country that censorship not be prolonged any more. The country has never had such a long period of complete censorship before, and practical consequences of the long spell have become clear to all, including the government. So now let us say that we have had enough and lift all restrictions on the press.

9612

CSO: 4203/66

## FRONTIER TRIBES TO SUPPORT MUJAHEDIN

Karachi JASARAT in Urdu 16 Apr 81 pp 1, 6

[Article: /Frontier Tribes Announce Their Support for the Afghan Mujahedin; Afghanistan a Victim of Russian Aggression, Not Revolution; Tribes to Help the Mujahedin in Every Possible Way; Tribal Leaders Hold Joint Press Conference; 300,000 Tribal Youth Ready to Fight Anti-Islam Forces; Leadership of the People's Party Has Been in the Hands of Foreign Agents from the Beginning; Demand for Restoration of Democracy Premature/--passages enclosed in slantlines printed in bold-face]

[Text] Peshawar, 15 April (JASARAT Correspondent) - In a joint press conference here today, the leaders of various frontier tribes announced their total support for the freedom struggle of the Afghan mujahedin and said that the tribal people, following their tradition, will give all possible help to the Afghan freedom fighters. Those addressing the press conference included Malik Haji Nadir Khan, chief councillor of the Afridi tribe, Khalifa Abdul Latif, Wazir Aurangzeb Khan Mahmud, Wakil Umar Khan, Karam (Ajeni) and Haji Masruf Khan Shanwari. The tribal leaders said what was happening in Afghanistan was not a revolution, it was Russian aggression. If it was a revolution, 2 and one-half million innocent afghan people would not have been forced to leave their country and seek refuge elsewhere. The leaders pointed out that certain elements tried to terrify the Afghan people by talking about the super power status of Russia, but time had proved that the Afghan people had the superior powers of Islam and faith with them and the latest technology had become helpless against the power of human faith. They said Russia was committing more forces to Afghanistan, but they will meet the same fate as the Russian forces that came before them. Malik Nadir Khan, who lived in political exile in Afghanistan for 24 years and returned to the frontier only last year, said that in Afghanistan itself, people belonging to both the Parcham and Khalq parties did not like the presence of the Russian forces in their country and were angry about it. He further stated that Babrak Karmal was probably terrified at the fate of his predecessors, Sardar Daud, Nur Mohammad Taraki and Hafizullah Amin, although, said Malik Khan, he was certain that Karmal will not meet the same end. If Karmal was to announce today that Afghanistan was a free country and was to order Russian armies out of Afghanistan, the tribal people will defend him and see to it that he does not fall prey to the claws of the Russians. Commenting on the political situation in Pakistan, Malik Khan said that in the banned Pakistan People's Party, the PPP, there was a large number of those who were devout muslims and loved their country. But, said he, it was a sad fact that the leadership of that party, from the very

outest, was in the hands of those who were agents of foreign countries and were determined to establish their own imperial rule over Pakistan. Those who love their country and belong to the banned PPP should be well aware of the excesses and wrongdoings of that party. It is a fact, said Malik Khan, that India's satellite "Ganga" was burned at the instigation of the former Pakistan President Z. A. Bhutto and this act was part of an external conspiracy against Pakistan. Non-acceptance of the election results of 1970, division of the country into 2 parts, atrocities and illegalities committed in the elections of 1977, all these were due to the leadership of the PPP, which was following instructions from an outside power. Today certain sections of the student population were supporting that leadership, but, said Malik Khan, had they forgotten who made students walk naked in the streets, who became the chief martial law administrator even though he was a mere political leader, who ordered political killings and in whose administration patriotic individuals like Dr Nazir, Sadiq Kasi and Khwaja Rafiq were executed? He said there was nothing wrong with the demand for a democratic system. Such a demand, whether it came from the students or anyone else was, in itself, quite proper. Also, the martial law was not, in principle, a good thing for the country. But, under our present circumstances, said Malik Khan, a demand for the restoration of democracy was not wise. Our borders are threatened and the foreign agents, i.e., PPP leaders, are giving assurances to their masters that they will create anarchy in the country and thus pave the way for them, the masters, to take over. With this strategy, Russia could make slaves out of the Pakistani people the same way as it did in Afghanistan. All these perils, said Malik Khan, precluded a return to democracy in Pakistan. He said all Pakistanis should cooperate with the present government, so that the government may be strong enough to deal with external and internal threats. According to Malik Khan, Saudi Arabia, by breaking diplomatic relations with Afghanistan, had done a commendable thing and he urged other Islamic countries to do the same. He said we urge India, and particularly Mrs Indira Gandhi, whose father Mr Jawahar Lal Nehru took part in India's freedom struggle, to support the liberation movement of the Afghan mujahedin and to openly denounce the actions of Russia. He also urged Mrs Gandhi not to complain about Pakistan getting stronger. In the end Malik Khan announced that 300,000 tribal young men were ready to give their lives in the fight against antinational and anti-Islam forces, and whenever the Government of Pakistan wanted, the frontier tribes would supply it with these 300,000 brave men.

9612

CSO: 4203/66

## BRIEFS

TRIBAL ACTION SUPPORTS PAKISTAN--Peshawar, 15 April (JASARAT Correspondent) - Tribal leader Haji Nadir Khan told newsmen here today that all tribal people supported the mujahedin openly and no person among all the tribes could utter a single word against either the mujahedin or Pakistan. He said last Friday in the village of Lowar in northern Waziristan, a person named Takkar Khan was given 2,000 machine guns, rifles and other ammunition in order to create disturbances and unrest in Pakistan. When the people of the region got knowledge of this, they set fire to Takkar Khan's house. Takkar Khan himself fled, but the tribal police arrested 8 members of his family, and their fate was now in the hands of the tribal court. Haji Nadir Khan further said that it was the firm decision of the tribes that if anyone opposed Pakistan or Islam, or supported the communists and communism, his house would be burned down. [Text] [Karachi JASARAT in Urdu 16 Apr 81 p 1] 9612

ANTI-TERRORIST POLICE SQUADS--Rawalpindi, 14 April (Special Correspondent) - It has been learned here through reliable sources that in order to counter anarchy and terrorism in the country, special police squads have been formed at every police headquarter. According to reports, these anti-terrorist squads will consist of police officers well-trained in marksmanship, investigation and detective work. The officers will be first assigned to the various police districts and then given special training for one month. After the successful completion of their training, they will become a part of the anti-terrorist force. Our sources have revealed that these squads will combat in particular the elements responsible for destroying railway lines, throwing hand grenades, arson and other dangerous terrorist activities against the people and the country. The administration, it has been learned, will take positive steps in the very near future to put these plans into action. [Text] [Lahore NAWA-I-WAQT in Urdu 15 Apr 81 p 1] 9612

CSO: 4203/66

## PLANS FOR INDUSTRIAL PROJECTS BEING SCALED DOWN

Kuala Lumpur BUSINESS TIMES in English 27 Apr 81 p 1

[Text]

FINANCING difficulties and export problems have prompted the Philippines to scale down ambitious plans to get 11 major industrial projects costing about US\$4 billion under way by 1985.

The programme, aimed at overhauling Philippine industrial policy, by shifting it away from import substitution to large-scale export-oriented industries, is still going ahead but will move slower than when first mooted by Mr Roberto Ongpin, the Industry Minister, less than two years ago.

The programme is aimed at pushing the Philippine economy along the same track as its more dynamic neighbours, South Korea and Taiwan. It is likely that four of the original 11 projects, costing over US\$1 billion will be on stream by 1985.

The government says it still plans to go ahead with the remaining seven-plant projects but the timetable for their completion is no longer firm.

The government is, however, pushing ahead with a series of moves designed to help lay a sound basis for its new industrial strategy.

These include an or-

ganised export drive to establish non-traditional products and to ensure development of long-term markets for the products of some of the 11 projects, the liberalisation of import tariffs to encourage industrial efficiency, and the rationalisation and dispersal of existing industries to spread the impact.

The original package called for construction and development of a copper smelter, a phosphatic fertiliser plant, a diesel engine industry, and integrated steel mill, a heavy engineering industry, an aluminium smelter, a petrochemical complex, an expanded local cement industry, an

integrated pulp and paper plant, a cocomochemical plant and an alcogas programme.

In launching the projects, President Ferdinand Marcos said that the Philippines has for long heeded words of caution while South Korea and Taiwan have progressed rapidly.

"If we don't shift gears today, I am concerned that we won't be able to catch up, and that we shall be left to choke in the dust of those we follow."

The implementation of the projects has not been smooth-sailing.

The copper smelter, the phosphatic fertiliser plant, the diesel engine

industry and the cocomochemical plant will most likely be in effective production before 1985.

The supply problems seem to have retarded the aluminium smelter, the petrochemical complex, and the integrated steel mill. These are dependent on imported raw materials, and as long as there is no assurance of a constant supply of reasonably-priced materials the projects may prove uneconomic.

The alcogas programme and the cement expansion plans have been given a lower priority, and further feasibility studies are being conducted for the heavy engineering industry and the pulp and paper plant.

The world recession is the biggest obstacle in the way of many of the projects. This is making both local and foreign investors wary of investing in the Philippines.

However, Mr Bernardo Villegas, deputy executive director of the Centre for Research and Communication, does not think that the time is ripe for a sudden shift from import substitution to capital-intensive basic industries.

— FT



## HELP OF PRIVATE SECTOR SOUGHT FOR STATE MONOPOLIES

Kuala Lumpur BUSINESS TIMES in English 28 Apr 81 p 6

[Article by Clarence Fernando in Colombo]

[Text]

THE Sri Lanka government is turning to the private sector to help revitalise the island nation's ailing nationalised services and give a boost to the economy.

The state sector, which President Julius Jayewardene's government inherited when it gained power in 1977, ranges from transport to tea, rubber and coconut plantations — the mainstay of the economy.

Many have been running at a loss and the government is now using local and foreign private sector skills to run these services efficiently without denationalising them.

President Jayewardene's government has also announced it will allow the private sector to operate side by side with the state sector, even in areas such as postal services, generation and supply of electricity and cement manufacture.

The government has been encouraged to give a greater opportunity to private management because of its good performance recently in running some state enterprises.

Five large state-run textile mills, with production facilities worth more than US\$85.5 million and employing 14,000

workers, have registered steep production increases and improved labour discipline and attendance under the management of three Indian firms and a joint British-Indian venture.

High priority is being given to the streamlining of the state-owned bus services run by the Transport Board which was set up after former Prime Minister Solomon Bandaranaike nationalised the country's bus services in 1962.

The board employs 60,000 workers to operate 6,000 buses, but critics say that about 20,000 of them are employees who were given jobs because of political pressure and for whom there is little or no work to do.

The board's projected losses for 1981 are estimated at about US\$67 million, and constitute the government's "biggest headache" among the nationalised services, a Transport Ministry spokesman said.

The board's monopoly on bus transport ended in 1979 when the government brought in private firms to run parallel services. A new Ministry of Omnibus Transport was created recently to regulate the estimated 4,000 private vehicles now in operation.

The government has also said it will turn to the private sector to provide skills and experience to operate the state-owned tea, rubber and coconut plantations, although denationalisation will not be allowed.

The plantations were nationalised between 1972 and 1978 by the government of the then Prime Minister, Mrs Sirimavo Bandaranaike.

Tea, rubber and coconut products used to provide 60 per cent of Sri Lanka's foreign earnings in the early 1960s, but now earn only about 60 per cent.

Earnings from tea, rubber and coconuts last year were US\$344 million, US\$144 million and US\$72 million respectively out of total export earnings of US\$944 million.

Economists say that the decline in earnings from the main export crops was the result of neglect, poor marketing and world recession.

While keeping the plantations under state control, the government is now considering forming smaller groups of estates that will be managed by joint stock companies with shares held by the state, the employees and the public, officials said.

Since initiating steps to free the economy by removing controls and restrictions and setting up a free trade zone, the government has been opening more and more doors to the private sector.

Private agencies are now being allowed to handle some of the post and telecommunication services, including the collection and delivery of mail, despatch of local telegrams and telex services to foreign countries.

The latest move is to allow private agencies to generate and supply electricity to consumers through the national grid.

The free trade zone, set up in 1968 as a major part of the government's economic strategy, has proved successful, with approval being given for 141 projects involving investments totalling US\$240 million so far, a zone spokesman said.

The spokesman said that 72 of the projects were already in operation employing 13,500 people. Investors, who are given attractive incentives including a 10-year tax holiday, are mainly from Australia, Hong Kong, India, South Korea, Middle East countries, Europe and the United States. — Reuter



AIR FORCE UPSET OVER PROBLEMS WITH 'NOMAD' AIRCRAFT

Bangkok BAN MUANG in Thai 16 May 81 pp 1, 2, 6

[Article: "Air Force Loses Poise: Tries To Buy an Aircraft That No One Else Wants In Order To Use It For Combat"]

[Text] The Air Force has encountered problems in purchasing fighter aircraft for use in the Air Force. It has turned to purchasing a type of aircraft used for "air delivery" and will use it as a fighter aircraft. Furthermore, this is an aircraft that the United States and other countries in the world have stopped purchasing. Customers who have already purchased the aircraft are requesting damages in compensation because the aircraft is not of the required quality for the work and spare parts will be available [only] in the future. However, the commander in chief of the Thai Air Force has stated that [the Air Force] must purchase this aircraft because it cannot find another type of aircraft. If aircraft cannot be purchased on a government-to-government basis, they must be purchased through private businesses.

A news report has stated that, at present, the Royal Thai Air Force is trying to purchase Nomad aircraft from Australia and station them at the air fields of the Air Force. Concerning this aircraft, the newspaper THE AUSTRALIAN, which is published in Australia, printed a story on 15 April that stated that this aircraft is of poor quality and that the customers who purchased it are asking for damages in compensation. The dealers located in the United States and in other countries throughout the world are forming groups in order to inform the Australian government in Canberra that the Nomad aircraft can be used for making air cargo deliveries but that, in operation, its quality is not as good as it should be.

The report of this newspaper also stated that the dealers mentioned above have complained that they have had to spend much time and money repairing and replacing various parts in the Nomad aircraft before turning them over to the buyers because the aircraft that they have received from the factories have not been of the quality

required by the buyers. In particular, the dealers in the United States have stated that they are receiving complaints from the buyers about the lack of quality in operation. The customers want the government to compensate them for the damages.

At a conference of Nomad aircraft dealers, Mr Joe Monado, the sales manager of the Hughes Aircraft Company in the United States, stated that the Hughes Company had invested in the company building the Nomad aircraft. However, the reputation of the Nomad aircraft is not very good at present and the only reason there are sales is because of "relying on good salesmen."

The report stated that if charges about the Nomad aircraft are really made in the United States, there will be no more purchases of the aircraft in the United States and other countries will follow suit. The problems that the dealers have had to solve frequently are that the flight mechanisms have all had to be replaced, the electrical wiring has not been in order and has had to be redone, the fuel injection system that comes with the aircraft cannot be used and has had to be replaced and, in addition, stronger wheels and tires have had to be installed on the aircraft.

Another problem is that most of the parts of the Nomad aircraft must be purchased from England and the United States because the factories in Australia must sometimes shut down because of a lack of capital. Sometimes the factories in foreign countries that produce the parts decide to stop production and the Nomad factories must look for the parts somewhere else. The result is that there may not be parts for Nomad aircraft in the future.

Concerning this matter, Air Chief Marshal Phanieng Kantarat, the commander in chief of the Air Force, gave an interview to BAN MUANG at parliament yesterday morning (the 15th). He stated that, at present, the Air Force is in fact considering purchasing this aircraft as far as he knows. This aircraft is being criticized by newspapers both in and outside the country, especially by the Australian newspaper that printed the story on 15 April. The Air Force is investigating.

The commander in chief of the Air Force further stated that this aircraft has been criticized as lacking quality in the body and in the wings. It is an older model but the company has now made improvements. But if the purchasing committee is certain that it is not a good aircraft, it will not be purchased for the Air Force. At present, the matter is still under consideration and no contract has been signed.

Asked how many of these aircraft will be purchased for the Air Force, Air Chief Marshal Phanieng stated that he could not say. And how

much each aircraft will cost is not yet known. Previously, the Air Force tried to purchase aircraft on a government-to-government basis but there were disagreements and so [aircraft] have had to be purchased from private companies.

The reporter asked why, in view of the fact that this aircraft is no longer being used in the world, we will purchase it. The commander in chief of the Air Force replied that "we will not buy it for use as a transport aircraft. We will buy it for use as a fighter aircraft. This is because we cannot find another type of aircraft. At present, few fighter aircraft are being produced. Those that are produced are very expensive. At present, the Air Force does not have enough fighter aircraft and it is essential that more be purchased. The only thing that is important is what we will do with the aircraft. There is no problem about spare parts because we can purchase parts from the company," said Air Chief Marshal Phanieng.

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CSO: 4207/35

NAVY COMMANDER INTERVIEWED ON PIRACY, MODERNIZATION

Bangkok MATICHON WEEKEND EDITION in Thai 10-16 May 81 pp 16, 17

[Interview with Admiral Samut Sahanawin, the Commander in Chief of Navy and Deputy Minister of Interior: "At Present, Pirate Boats Are Better Armed Than Our Boats"; date and place not specified]

[Text] [Question]: Are there "young turks" in the Navy like there are in the Army?

[Answer]: I do not know. But young sailors in the Navy do not join together closely like they do in the Army since our sailors do not hold territory. We are responsible for a large body of water and this forces us to spread out our forces and only rarely do they have a chance to meet each other. But I can affirm that our Navy is still unified.

I think that it is probably friends who are said to be "young turks" or some other group.

[Question]: Have any young officers in the Navy ever proposed anything to you directly?

[Answer]: I have never had anyone propose anything. Everything has been done through channels.

[Question]: How long have you been in the Navy?

[Answer]: I joined the Navy in 1938. This is my last year of government service. I will have been a member of the Navy for 44 years; as of now, I have been in for 43 and a half years. I have never been removed from active duty by anyone for even 1 or 2 days.

[Question]: Why did you want to be in the Navy and not in the Army? You would have had a better chance of becoming prime minister or of having your term of government service extended had you been in the Army.

[Answer]:<sup>1</sup> My father, Lieutenant Commander Luang Chenchopsamut, was a naval officer. My home was near the Naval Dockyard Department. When I was a child I saw sailors every day. I saw them dressed in their handsome uniforms and so I wanted to be a sailor too.

[Question]: Did your father force you to?

[Answer]: No. I competed to take the entrance examination.

After I finished M6 [lower secondary school] at Wat Rakhang School, I went and finished M8 [upper secondary school] at Amnuaisin School. I then took the entrance examination for the naval academy. The first year I failed the entrance examination. The second year I took the examination again and passed.

My father did not force me at all. He was dismissed from the Navy during the economic depression in the Seventh Reign. At that time, the country faced great difficulties and the government did not have money to pay people.

[Question]: You probably faced great difficulties at that time.

[Answer]: Yes. Our family was very poor. My father had to leave government service and he went to work on a dredger that dredged sand bars. But I have since thought that the difficulties were good for me. But some children were ruined by the difficulties.

[Question]: Weren't you afraid that history would repeat itself?

[Answer]: Oh. What are youths 15 and 16 years of age afraid of! They see sailors dressed in handsome uniforms and they want to be like them. My father told me that being a lieutenant commander was enough and then a person could go out and work for himself. By chance, I received a scholarship to study in Sweden for 3 years. When I returned from abroad I served as deputy commandant of the Naval Academy for 2 years. After that I served as the commandant of the academy for 4 years. I was then transferred and served as the commander of the Sattahip Naval Base for 7 years. I was there from when the United States just entered until they withdrew their naval forces.

After serving as the commander of the Sattahip Naval Base I served as the deputy commander in chief of the Royal Thai Fleet for 1 year and then served as the deputy commander in chief of the navy for 2 years. I then became the commander in chief of the navy.

[Question]: Becoming the commander in chief of the navy is the great dream of every sailor, isn't it?



[Answer]: As for myself, I never really dreamed that I would hold this position.

[Question]: You have been the commander in chief of the navy for several months now. What problems have you seen?

[Answer]: Lets not say that there are problems. This may affect other people.

[Question]: Does this mean that at present there are still weaknesses in the Navy?

[Answer]: The Navy has problems concerning weapons and war materials. The weapons that we have are not modern but we have great responsibilities, from defending the country to helping the police suppress smuggling and piracy.

I do not want to reveal anything but it is a well-known fact that, at present, the boats of the pirates carry heavier weapons than our ships and that their boats are faster than ours. Can you believe it, sometimes when we go to suppress them some of our boats cannot keep up with them.

Our weapons development is not making much progress. Also, our use of weapons is not in accord with the amount that must be invested and, therefore, the intention is to purchase more than we produce, which will also provide us with better quality [weapons].

[Question]: Did the lessons from the explosion at the army ordnance plant cause the Navy to make any preparations?

[Answer]: We have discussed this. At present, the Naval Ordnance Department has moved to Satthip. There are presently many problems. We are located in a populated area and it is very difficult to expand in order to make things completely safe.

As for the Satthip Naval Base, at present, it is very difficult to make things secure in accord with military principles because the villagers live all around us, which is also considered to be a type of security. The military personnel and the villagers have to have good relations with each other and they cannot live apart like before.

[Question]: What are your views on the fact that many industrial plants will be built in eastern Thailand, which is the Navy's area of responsibility?

[Answer]: Most families of sailors are poor and the head of the family is not at home very much. In particular, lower ranking sailors are frequently on sea duty. Their monthly salary is, by itself, not enough to support their families. The mother and children must also work so that the Navy can be strong.

Concerning the matter of industrial plants being set up, I think that the benefits outweigh the disadvantages. In the future, the families of the sailors will have jobs and an income and the head of the family will not have to worry.

[Question]: What policies will be implemented to control the plants so that they do not emit pollution that is dangerous for the military families?

[Answer]: I think that the best policy is one that meets them half-way. Both the Navy and the investors must compromise in order to be able to coexist. I do not think that the Navy can use the restrictions concerning military security zones in a situation in which villagers are living around the naval base as they are today. There will only be trouble if people are forced to move. The existing laws do not give us permission to take immediate action. For example, if we make a compensatory law, we will have to spend large sums of money to compensate people and it is well known that we have financial problems.

[Question]: Does this mean that the military security zone has now become secondary?

[Answer]: The military must think about **this**, but in the present situation I feel that views about security must change somewhat. In the past, we felt that the enemy was from abroad but now the enemy may be people within the country, that is, rabble rousers and communist terrorists.

Also, national development has changed. For example, civilians are living all around the army and navy ordnance plants. Sometimes we prohibit them from building anything high. The people wonder whether the military is really concerned about the land. Living near military personnel is not convenient and sometimes there are negative feelings.

[Question]: What about the matter of the government giving permission to build a petrochemical plant in Rayong Province near the base of the 7th Marine Battalion?

[Answer]: This is an industrial necessity. We feel that an exception must be made in this case. Since the government feels that there should be an exception, the Navy must make an exception so that the policies are in harmony, as happened at the Port of Satthip.

It's just like the petrochemical plant when the gas pipeline was to be built in Nong Faep. They should have been allowed to build the plant nearby.

Today, it is not right for the military to have problems with the people. The soldiers and the people must get along with each other. Those who want to harm the country will be eliminated.

[Question]: Does the Navy now have any submarines?

[Answer]: No.

We once had some but now we have demobilized both the ships and the men.

[Question]: Would you like to have some? Do we have a need for them?

[Answer]: I would like to have some. We need them. But looking at the present financial situation of the government of the country, it can be seen that things are difficult. We must try to really help ourselves.

[Question]: Why don't we ask for contributions or issue one or two series of lottery tickets?

[Answer]: The government does not have any policy that would allow us to do that. As for soliciting contributions, I do not think this should be done. At present, we are taxing the people at a high rate. This is not like in the past when people were not taxed.

I feel that if everyone helps by paying the taxes they owe so that the government can collect its full income, then that is enough.

[Question]: As a member of the Senate, what role will you play in opening the next session of parliament this coming year?

[Answer]: Actually, senators play only a small role. We cannot propose legislation in parliament. And I do not think that it is true that how senators vote determines whether the government falls or does not fall. The responsibility cannot be thrown on us alone. The government must show the people its ability in developing the country and in solving the problems of the country. It cannot rely solely on the Senate.

[Question]: You will retire this year. What will you do if no one asks you to serve as a minister?

[Answer]: I do not know. If someone wants me for something, I will go do it. I won't object if its in the field of business. Just give me a chance; I will be glad to go do it. Or maybe I will stay at home with my grandchildren since at present there is no one at home.

[Question]: You won't join some political party in order to stand for election?

[Answer]: I have not thought about politics. My idea is that what is going to happen will happen. There is no need to fight. I am easy-going and do not expect anything. My present situation is good.

[Question]: You said that most navy families are poor. What about your family?

[Answer]: I have been lucky. By chance, my wife owned land near Ratchadaphisek Road where they built a new road. This allowed us to sell the land and use the money to build the house that I live in now. If it were not for this, I probably would not have such a nice house in which to receive guests.

[Question]: Doesn't the Navy provide living quarters for its commander in chief like the Army and Air Force Do?

[Answer]: I am considering having a house built for the navy commander in chief. I will have a very good one built from the standpoint of security. It will also be used to receive guests of the Navy. These are preparations for the next commander in chief. It will be difficult if he does not have his own house. This will also provide security and make things more convenient.

Take the latest outburst of trouble in Bangkok, for example. My house is out on the Super Highway and it takes a long time to reach naval headquarters. Luckily, I was able to reach naval headquarters safely.

[Question]: What is your wife's name, and from which family does she come?

[Answer]: My wife's name is Sombun; her maiden name was Rangsiphramakun. She is the daughter of a Brahmin family. I married her when I was in a Brahmin temple. At the wedding, we had both Buddhist and Brahmin ceremonies.

[Question]: How many children do you have?

[Answer]: I have two children, one boy and one girl. My son, the eldest, is a lieutenant-junior in the Navy. His name is Lieutenant-Junior Suriya. My daughter's name is Duangkamon, she is the manager of the Ayuthaya branch of the Thai Military Bank. Her husband is a lieutenant-commander in the Navy.

We can say that we are a three-generation navy family.

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CSO: 4207/34



UNHCR OFFICIALS CLAIM THAIS STEAL REFUGEE RICE

Bangkok MATICHON in Thai 11 May 81 pp 1, 12

[Article: "The United Nations Is Tired of Thai Soldiers Stealing Refugee Rice"]

[Text] The Office of the United Nations High Commissioner for Refugees has asked the Ministry of Interior to handle cases of smuggling of refugee rice out of the camps. The deputy under-secretary for security has ordered that a committee be established to investigate.

Yesterday, 10 May, a news report from the Ministry of Interior informed MATICHON that around the middle of April Mr A.G.F. Simmons, the representative of the Office of the UNHCR for Southeast Asia, sent a letter to Mr Chalong Kalayanamit, the former deputy undersecretary of the Ministry of Interior for security who is now the director-general of the Department of Local Administration, asking him to handle the matter of rice intended for the refugees being smuggled out of the Lao refugee aid center in Nong Khai Province.

The report stated that this letter said that on Friday, 20 March 1981, it appears that officials of the European Community, which is a unit that has aided these refugees, discovered that 17 bags of rice had been openly removed from the Lao refugee camp in Nong Khai. They had been loaded onto a bus and taken to Bungkan District. Furthermore, the removal of this amount of rice was carried out by several officials of the refugee camp.

The report stated that this letter also mentioned that the officials of the European Communist had received a report from witnesses that stated that this was not the only time that this had happened and that the level of smuggling was constantly increasing. This takes place every 15 days and the amount of rice that is removed each time is increasing, 15 to 30 bags being taken each time.

"We ask that this matter be investigated immediately. At present, things are being watched closely so that this does not happen again. With the interest of the European Community, which has given aid, we are waiting with the hope that this matter will be investigated and clarified," wrote Mr A.G.F. Simmons in the letter.

The report also stated that this letter was sent to the Ministry of Interior right at the time when there was a change of high-level administrators in the ministry. Mr Chalong was appointed to serve as director-general of the Department of Local Administration and, therefore, he did not carry out an investigation of this matter. This matter was turned over to Mr Loet Hongphakdi, the new deputy undersecretary of the Ministry of Interior, and he has ordered that a committee be established to investigate the matter.

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**ANTI-AIRCRAFT BATTALIONS PROPOSED FOR BANGKOK**

Bangkok SIAM RAT in Thai 2 May 81 pp 1, 12

[Article: "It Has Been Proposed That Three Anti-Aircraft Battalions Be Set Up Around Bangkok to Counter Air Threats"]

[Text] The anti-aircraft division has submitted a plan to defend Bangkok from air attack by establishing three anti-aircraft battalions around Bangkok. The budget for each battalion will be 700 million baht for purchasing weapons and military equipment. This was revealed by Major General Prasat Wimonvilapin, the commanding general of the anti-aircraft division.

The commanding general of the anti-aircraft division pointed out that each battalion that is established will have to use 40-millimeter guns and radar to control the firing. He has already submitted this proposal through channels and it depends on whether the government gives its permission to carry out things in accord with this plan.

The reporter asked whether this will have any effect on the economy if the government borrows the 7 billion baht from abroad to purchase these weapons. Major General Prasat stated that it is essential that this money be borrowed to purchase the weapons because the military must defend the nation, the people and the wealth of the country. Waiting for the annual budget will be too late for the various things that can happen because it takes a long time to gather together the money to purchase weapons since each type of weapon is expensive and orders must be placed at least 2 years in advance. If war breaks out, the military will not have enough weapons to defend the nation's independence. Thus, an effort must be made to stockpile weapons now.

At the same time, the commanding general of the anti-aircraft division revealed that the latest transfer of soldiers had little effect on the anti-aircraft division and there were no problems. This was because none of the anti-aircraft units joined those who caused the trouble.

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CSO: 4207/34

GENERAL ATHIT SAYS BORDER BLACK MARKET TRADE UNDER CONTROL

Bangkok SIAM RAT in Thai 28 Apr 81 p 3

[Article: "Said to Be a Threat to the Country: Athit Asks Change In Law, Increased Penalties to Reduce Border Black Market Problem"]

[Text] Lieutenant General Athit Kamlang-ek, the commanding general of the First Army Area, stated that, concerning the situation along the Kampuchean border, there is presently little to be worried about. The only thing is that some forces were moved, most of which were withdrawn in order to supervise the elections and when their tasks were completed they were sent back to their original locations. But, in some areas such as the Phnommalai foothills, they withdrew the forces and have not sent any forces into these areas. But in general, at present, the Vietnamese-Heng Samrin side has not increased its forces more than normal. There are still scattered clashes between the two sides in Kampuchea.

Asked whether it is possible that the level of fighting in Kampuchea might increase before the start of the rainy season, Lieutenant General Athit Kamlang-ek replied that, at present, this had not happened but that it could happen because just before the start of the rainy season they will hurry to carry out things before the rainy season begins. That is, they will have to quickly carry on suppression activities and the other side will have to quickly carry out things. And thus the level of fighting may increase. As for us, we are constantly ready for any situation in order to guard against any intrusion into our territory. We have adequate forces to handle any situation without having to increase our forces. Based on inspections of the military units, our soldiers have very good morale and spirit. The people have good morale and they are cooperating in defending the border.

Lieutenant General Athit Kamlang-ek, the commanding general of the First Army Area, talked about the smuggling along the border. He said that he had been interested in this ever since the time he was the commanding general of the 1st Division and that he had seriously tried to suppress this. On his recent trip to inspect the military units along the border, he firmly urged the military and civilian

officials to carry on the suppression activities seriously. He also revealed that, concerning the storehouses located in Aranya Prathet District, he had requested that they be closed and that he had received good cooperation. At present, several places have been closed. And now it can be said that smuggling along the border has decreased greatly. The amount of smuggling that goes on is only 10 percent, or 20 percent at most, of what it once was. In order to achieve even better results in suppressing border smuggling, he is requesting that the laws be revised so that the penalties are more severe. Because according to the existing laws, the stipulated penalties are not very severe. People are imprisoned only 7 days and fined not more than 500 baht and their goods and vehicles are impounded only temporarily. But the revised laws will increase the prison sentences and the amount of fines and the goods and vehicles will become the property of the government.

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## BRIEFS

**TERRITORIAL DEFENSE CORPS**-The Ministry of Education and the Internal Security Operations Command have accepted the principle of cooperating to have all male students train in the territorial defense corps in order to increase the nation's security activities. This was revealed by Mr Somchai Wutipricha, the deputy undersecretary of the Ministry of Education after a joint conference with the ISOC yesterday. Mr Somchai stated that, at present, government officials are beginning to study the data about the various problems that will arise from this. In particular, many more instructors will be needed. [This will be solved] by increasing the number of instructors or by using teachers from the various schools who have undergone training in the territorial defense corps. The plans for having all male students train in the territorial defense corps will be completed within 3 years. As for having female students train in the corps, Mr Somchai revealed that this program had to be halted because of the great difficulties in setting a curriculum. [Text] [Bangkok SIAM RAT in Thai 16 May 81 pp 1, 12] 11943

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June 30, 1981